

July 31, 2020

To: Interested media

ICYMI: Here is a rapid-fire update on what happened this week in Turkish economic, trade and business news.

- Turkey's Treasury and Finance Minister announced [steep VAT cuts for businesses](#) to help post-COVID economic recovery. Incentives will come in the form of tax relief and refunds in both corporate and value-added taxes, customs exemptions, free land for investors, grants to start new businesses, support for social security contributions, discounted energy prices for producers, assistance for employing qualified workers, and capital contributions.
- The Turkish Economic Confidence Index [increased by 11.8% from last month](#), reaching 82.2 in July according to the Turkish Statistical Institute (TÜİK). The recovery has been growing consistently since a sharp fall in April 2020 due to the effects of COVID-19.
- According to the UK and Turkish Trade Ministers, the two countries have [reached a consensus to maintain trade relations](#) after the UK leaves the EU at the end of the year. The UK and Turkey's bilateral trade relationship is worth £19 billion, and the two countries are now a step closer to signing a free trade agreement.
- This week [Turkey and Italy held talks to boost trade relations](#) and economic cooperation. Both countries are considering ways to enhance joint investment and production, specifically looking at transportation, logistics, construction and consultancy services.
- [Turkey hosted the Deputy Prime Minister of the Republic of Uzbekistan](#), who discussed relevant issues in trade and economic cooperation with Turkish counterparts. Both parties agreed to boost bilateral trade to \$5 billion in the short term from the current figure of \$2.5 billion.

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